FBIS DAILY REPORT

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ARGENTINE MONTONEROS EXPRESS SOLIDARITY WITH SANDINISTS

PA031333Y Panama City ACAN in Spanish 1709 GMT 2 Oct 78 PA

[Text] Panama City, 2 Oct (ACAN-EFE)--The Peronist Montonero movement announced here today, Monday, its solidarity with "the just and legitimate struggle of the Nicaraguan people and their leader, the Sandinist National Liberation Front [FSLN]."

During the conclusion of a continental meeting of solidarity with Nicaragua, former Buenos Aires University Rector Rodolfo Puigros, member of the Montoneros Superior Council, predicted that "a popular explosion" will take place in Argentina. He reasserted support for the FSLN and said the conference had "very positive results."

"The conference," Puigros told ACAN-EFE, "will have positive results not only for the struggle of the Nicaraguans but for all liberation movements in America." The former rector, now an exile in Mexico, emphasized among the conference's main achievements the coordination of all the continent's solidarity efforts by means of a committee created here for that purpose. During the work session which began last Friday, Puigros defended the creation of an international tribunal to judge and condemn those responsible for the Nicaraguan situation. However, this point was not included in the final resolution, which appeals to the governments of the world to completely isolate Gen Anastasio Somoza's regime.

The Montonero leader also told ACAN-EFE that the conference did not discuss the creation of volunteer brigades to go to Nicaragua to fight alongside the Sandinist front. The matter was brought up some days ago by one of the Panamanian delegates, but this point was withdrawn and not discussed further. "We do not promote this type of intervention," Puigros said, in regard to the already created brigade of Panamanian volunteers. He said neither he nor the conference discussed the matter.

In regard to his own country, Argentina, he said the existing situation is caused by the failure of the military junta's economic program. "The economic program promoted by Minister Martinez de la Hoz," Puigros added, "was a reactionary utopia. Argentina has the highest inflation rate in the world today, and recession and inflation go hand in hand. There is industrial paralysis and unemployment. The crisis is not only affecting the workers. General Motors has closed down a plant and this means the dismissal of many thousands of workers. It has been announced that other multinational concerns will also leave. Consumption has decreased considerably."

"The junta boasts of having paid the foreign debt and having exported large amounts of grain, but the cattlemen and farmers complain that the situation has never been so bad. There is an acute flight of capital from the rural areas," the former sector claimed. This situation has been complemented by many strikes during the past year. According to Puigros, these strikes met only partial objectives because the salary increases gained were promptly canceled out by inflation.

In regard to the political situation, he recalled that political parties are banned and said the Montonero movement proposes the union of all Peronists as a first step and, later, the creation of a national democratic front to overthrow the regime and install a popular government. "The junta can no longer conceal the terror existing in Argentina. Kidnapings and murders occur every day. State terrorism has not ceased and the junta itself is responsible for this," Puigros added.

In conclusion, he said all this will lead the Argentine people to a collective explosion which he calls "the Argentine explosion." "The possibilities for the 'Argentine explosion' grow day by day," said the exiled Montonero leader. He concluded his statements by saying that the Peronist guerrilla movement "is far from being liquidated, although it is obvious that it has suffered casualties."

MOVEMENT OF MILITARY EQUIPMENT, TROOPS REPORTED

PY041547Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1348 GMT 4 Oct 78 PY

[Excerpts] Santa Fe, 4 Oct (NA)--An unknown number of tanks and trucks loaded with military equipment and soldiers this morning were taken aboard the ocean-going ship "Rio Teuco" of the Argentine Shipping Lines [ELMA], moored at the local port. According to unofficial sources, quoted by the local press, the cargo will be taken to an unspecified area in the south of the country and is from the 2d Armored Artillery Group, stationed at Villaguay, Entre Rios Province.

The news reports did not give the exact number of tanks and trucks to be transported south, but it was reported that the tanks were 33-ton Shermans, and that there were about 50 trucks with military equipment. These unofficial sources also reported that the transfer and loading operation is being handled by an officer from the navy and one from the army, the former a captain and the latter a major, and by a representative of the Argentine Naval Prefecture.

Loading Continues in Santa Fe

PY050131Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 2145 GMT 4 Oct 78 PY

[Text] Santa Fe, 4 Oct (NA)--The loading of tanks, trucks and soldiers aboard the ocean-going ship Rio Teuco continued all day today and will apparently continue tomorrow. The destination of this ship has not been officially revealed, although it is rumored to be an unspecified southern point. According to an official communique, the soldiers belong to the Armored Cavalry Brigade headquarters in Villaguay, Entre Rios department, although other reports indicated that they are also members of the 6th Armored Cavalry Regiment headquartered in Concordia. The Rio Teuco is anchored at the pier west of Dock No 1, where soldiers and equipment began to embark early today under strict security measures.

According to official reports, the transfer from Villaguay took place over the Urquiza Railroad as far as the city of Parana, and the remaining 35 km between the capital of Entre Rios and this capital was overland. The column moved on national route No 188, through the Hernandarias Tunnel, over the old Pendant Bridge and then via Leandro Alem Avenue to the port zone, arousing the curiosity of many people. The movement of military vehicles through the tunnel under the Parana River closed that route to private vehicles for several hours. It has not been possible to establish the date of departure or the destination of the Rio Teuco, which belongs to the Argentine Shipping Lines [ELMA].

The only official report on the movement of soldiers was a communique released by the local military garrison which reads as follows: "The command of the Santa Fe military garrison tells the people that soldiers of the 2d Armored Cavalry Brigade are conducting the final exercises normally scheduled for this time of the year, in accordance with training plans.

"These plans include maritime transport exercises and are supervised and controlled in their various stages by the II Corps commander, Lt Gen Juan Carlos Sanchez.

"Today's embarkation being carried out via Santa Fe port is part of these final exercises."

'HERALD' SAYS U.S. PRESSURE AIDS SOVIET PENETRATION

PY041952Y Buenos Aires HERALD in English 4 Oct 78 p 10 PY

[Editorial: "Dangerous Partners"]

[Text] The United States administration's willingness to use public financial agencies like the Export-Import Bank to apply pressure on the Argentine Government carries some disquieting implications. The decisions first to ban, then to rescind the ban, on an Eximbank loan of $270 million to Allis-Chalmers to back up the company's bid to supply turbines for the Yacyreta-Apipe hydroelectric project, will inevitably make the bi-national Yacyreta authority wary of any bids from the U.S., thus harming the chances of other potential suppliers like Westinghouse or General Electric. This will substantially reduce the serious competition for the much-prized contracts and increase the chances that the Soviet Union, by itself or in a consortium with companies like Siemens of West Germany, will be entrusted with the task of supplying and then helping to maintain vital equipment for a project of enormous importance to the country's economic future. The Soviet Union, after all, in this field has special advantages the West cannot match: its prices depend on political expediency rather than the costs involved, so it can undercut virtually any competition not prepared to take an enormous loss; it is as utterly unconcerned about human rights or any other rights in Argentina as it is about rights anywhere else, so the chances of leverage being exerted for the same motives as the Eximbank's are remote; and it is already supplying turbines for the Salto Grande hydroelectric complex, thus demonstrating what a reliable partner it is and how foolish it is to imagine it may have some ulterior motive in reinforcing trade links.

As the Soviet Union's record in international relationships amply demonstrates, it is a power determined to expand its influence wherever possible and it firmly places political considerations over commercial ones. At present it is in a position to penetrate Argentina--and Uruguay and Paraguay--by supplying, on excellent credit terms, complex and sophisticated equipment. Along with this complex and sophisticated equipment habitually come large numbers of technicians who would, if the Soviet offers are accepted, be ideally placed to keep a close eye on political developments and to exert influence in key parts of the economy. The opportunity of making use of the leverage thus won by playing an important role in the construction and maintenance of an absolutely pivotal energy project can hardly be exaggerated, and this leverage the Soviets will be able to use, discreetly or brazenly, to influence the decisions not just of the present government but of governments to come.

The armed forces and the police have recently succeeded in ridding the country of large numbers of Marxist revolutionaries determined to destroy its allegiances to the West and start in on the terrible passage to the bloc dominated by the Soviet Union. It would be a tragic irony if the government that freed the country from one Marxist threat were, inadvertently, to expose it to another, in the long-term just as perilous, Marxist threat. The difference between armed insurrection by Marxist terrorists and peaceful penetration by economic means may strike some officials as absolute. From the point of view of the Soviet leaders, however, the difference is merely one of tactics. Now that armed insurrection has failed, they may be about to start on a significant scale another, much subtler, form of attack.

PRESIDENT GISCARD ARRIVES, MEETINGS BEGIN

Geisel, Giscard Meet

PY042135Y Porto Alegre Radio Guaiba in Portuguese 2100 GMT 4 Oct 78 PY

[Text] Brasilia--French President Valery Giscard d'Estaing, who arrived this afternoon on a 4-day official visit to Brazil, held his first meeting with President Geisel.

Reporter (Aluizio Vale) will now give more details of this meeting directly from Planalto Palace, in Brasilia. [begin recording] The two presidents met for the second time at the door of the presidential office in Planalto Palace at 1700 local time, as scheduled. President Giscard greeted President Geisel and French journalists who attended the initial ceremony of the first presidential work meeting. Giscard asked the journalists if they had a good trip and shook hands with six of them.

Foreign Minister Azeredo da Silveira said then that one of the journalists had proposed a terrible thing to him, but he did not say what this was.

According to the agenda, the two presidents were supposed to exchange decorations at that time--that is, President Geisel was to decorate Giscard with the Great Cross of the Order of Rio Branco and Giscard was to decorate Geisel with the Great Cross of Merit. But the ceremony was postponed until tonight because there was no time to bring the French award from the Concorde plane to Planalto Palace.

Also present at the presidential office were the chiefs of the Brazilian military and civilian household, Gen Golbery de Couto e Silva and Gustavo Morais Rego, respectively, Foreign Minister Azeredo da Silveira; members of Giscard's entourage; and 50 French and Brazilian journalists.

Geisel and Giscard are seated at opposite sides of the work table. Seated at the other two chairs are Azeredo da Silveira and Jean-Francois Poncet, secretary general of the French presidency, who is replacing French Foreign Minister Louis de Guiringuad, who will arrive in Brazil tomorrow. The meeting is now underway. [end recording]

First Work Session Ends

PY042209Y Porto Alegre Radio Guaiba in Portuguese 2150 GMT 4 Oct 78 PY

[Text] Brasilia--The first working meeting between Brazilian and French presidents Ernesto Geisel and Giscard d'Estaing began 1 hour and 25 minutes ago at Planalto Palace. The meeting ended 1/2 hour ago and no official report has been released yet on the subjects discussed. At 1935, Giscard d'Estaing left for Jaburu Palace, where he is staying. In 1 1/2 hours the French president will be honored with a banquet at Itamaraty, where both presidents will exchange decorations and gifts. They will also deliver speeches during the banquet.

GERMAN CONSULTANTS REFUTE CLAIMS ON ANGRA II

PY040244Y Sao Pualo O ESTADO DE SAO PAULO in Portuguese 3 Oct 78 p 1 PY

[Text] According to the report prepared by the Hochtief AG, a German consulting enterprise which is providing technical aid to the Norberto Odebrech Construction Enterprise, 100 piles were emplaced between 1 June 1977 and 23 February 1978 at the site where the Angra II nuclear reactor will be installed. Out of these 100 piles, 15 did not fulfill the technical specifications provided by the Furnas Centrais Eletricas.

The Hochtief report dated 11 September 1978 adds that the tests made so far "confirm the quality of the piles." The following page of the Hochtief report acknowledges "individual defects in the quality of the concrete." All the other charges made by D'Appolonia--a Furnas-hired consulting enterprise--are refuted.

Mines and Energy Minister Shigeaki Ueki stated in Sao Paulo yesterday that "it is up to the Furnas Centrais Eletricas engineers to provide the answers to the charges published by O ESTADO DE SAO PAULO on Sunday."

COMMUNICATIONS MINISTRY DENIES USE OF PHONETAPS

PY041152Y Porto Alegre Radio Guaiba in Portuguese 0200 GMT 4 Oct 78 PY

[Text] The Communications Ministry has no information about instructions to the Post and Telegraph Enterprise or to enterprises of TELEBRAS [Brazilian Telecommunications Corporation] to tap telephones or to violate the mail of any individual or private government organization [as heard].

This report was released by the office of Minister Quandt de Oliveira in relation to the charges made by Gen Hugo Abreu. The communications ministry does not exclude, however, the possibility that unthinking individuals could have done this on their own, without any action or initiative on the part of those entities linked with the ministry.

LETTER BY GEN ABREU SEEN AS CHAMPAIGN TACTIC

PY041648Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Oct 78 p 3 PY

[From "Notes and Information" page by V.B.C: "Letter by former head of Military Household exposes disagreements within Brazilian Democratic Movement"]

[Text] A letter undoubtedly written by Gen Hugo de Abreu and distributed to more than twenty generals clearly represents an attempt to heat up the presidential succession to a point of radicalization by attacking the whole scheme of succession and by taking the debate and its outcome into the army barracks. This is the conclusion drawn from the letter's vicious language, the violent accusations it hurls at the visible distortions of the process, the pointed references it makes of official corruption, and the threat of scandalous exposes.

The letter is also an obvious sign of the disagreement within the opposition's camp. The candidacy of Gen Euler Bentes Monteiro was virtually the single-handed work of General Abreu who managed to prod the "Authentics" into an unsuccessful move to take over the party and to dictate its course of action. This is how General Abreu got caught in the wave of dismay now engulfing the Brazilian Democratic Movement [MDB] as a result of the subdued campaign by General Bentes Monteiro, his cautious and timid pronouncements, his refusal to get into polemical topics and his polite speeches made in an academic and professorial tone more appropriate to bureaucratic reports than to speeches of a candidate representing the nation's dissatisfaction. To the extent that he felt responsible for the MDB decision to put up a candidate against the opinion of the "Moderates," General Abreu felt he had to do something to vent his dissatisfaction with the weak campaign style of General Bentes Monteiro, who is a disappointment as a candidate.

The open personal disagreements between General Abreu and General Bentes Monteiro have produced no results. It is true that General Bentes Monteiro has stepped up the tempo of his campaign and is making more hard-hitting and pointed speeches. But the time has run out to change the political picture and the image of the candidate, particularly because the government has imposed limitations to campaigning over radio and television and even at rallies, which are allowed only under certain conditions.

A strong impact could perhaps change the slow tempo, which benefits the government, and heat up a cold and boring campaign which has failed to arouse any popular interest.

The letter was supposed to have that impact, the blow to shake up things and to awaken the citizenry from their 14-year siesta. But above all the letter is a clear proposal to move the campaign toward a point of radicalization, away from the soft-speaking candidate and his innocuous platform. It is an attempt to create a crisis and to produce some results, to show that the campaign of General Bentes Monteiro is not rising to the occasion and is not justifying the reasons for his nomination by the MDB.

The apparent calm prevailing within the system during this episode suggests that the letter's expected impact in military circles was not anything to worry about. The government only set in motion the mechanism for routine punishment under existing military regulations.

On the opposition side, General Abreu's letter offers a new pretext for a review of tactics just before the fateful date, 15 October, when the housebroken Presidential Electoral College will meet. The letter provides enough elements for the MDB presidential candidate to draw up a resignation [illegible]--in the lively style with which documents intended to arouse a nation should be written.

Leaving aside the possibility of second guessing--which is to be expected in the face of a closed regime--the letter came out a little late, while an air of fait accompli already is sapping the will to resist and is causing dismay regarding the effectiveness of any action, thereby inducing conformity with the capricious and powerful will of the regime. On top of this, the man who wrote the letter is himself the epitome of contradictions, one who needed to justify himself by taking a stand, although late, and to recite lessons of democracy and his love for freedom. After all, consistency with one's own ideas is worth something.

BRIEFS

STRIKE BAN APPROVED--The legislative branch today approved Decree Law No 1632 banning strikes in public services and activities which the government considers of interest to the national security. Since today was the deadline for discussing and voting on this decree law, it was automatically approved. This is what the National Renewal Alliance wanted. [Text] [Porto Alegre Radio Guaiba in Portuguese 0200 GMT 4 Oct 78 PY]

RAILROAD IN IRAQ--A consortium formed by INTERBRAS [PETROBRAS International Trade Company] and Mendes Junior Construction Company signed a $2,209,000,000 contract Sunday in Baghdad for construction of a 650-km Railroad linking the capital of that country with the south. [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Oct 78 p 1 PY]

PRC EMBASSY BUILDING--On a 25,000-square-meter lot, the PRC yesterday inaugurated its brand-new embassy in Brasilia. The three-story building occupies 5,000 square meters and has facilities for the work and residence of 10 diplomats and 20 minor functionaries. [Rio de Janeiro O GLOBO in Portuguese 3 Oct 78 p 8 PY]

CUBILLOS 'CURIOUS' ABOUT ARGENTINE EXERCISES

PY050205Y La Paz Radio Panamericana Network in Spanish 0000 GMT 5 Oct 78 PY

[Text] Santiago, Chile--In an interview with the daily EL MERCURIO, Chilean Foreign Minister Hernan Cubillos stated today that Chile is curious about the civil defense activities in Argentina, including blackout drills and purchase of arms. He said: "We are curious about these Argentine drills because, since Chile has no belligerent intentions, we suppose that these exercises are part of a domestic policy or that Argentina may have other reasons and feel that they are necessary."

In answer to a question from EL MERCURIO, Cubillos said that Chile does not need to conduct such exercises. He added: "We have reports that Argentina is purchasing weapons, but the reports are contradictory. Every time high-ranking Argentine officials visit countries which produce weapons we hear reports about large contracts for the purchase of weapons. But even if all these reports are true, the sky-high cost figures are rather incredible." He said: "I feel that countries with difficult economic and inflationary situations cannot responsibly commit their people to this kind of adventure."

Joint Commission Resumes Talks

PY313S4Y Santiago Chile Domestic Service in Spanish 1100 GMT 3 Oct 78 PY

[Text] The penultimate meeting of the Chilean-Argentine Joint Commission is underway in Buenos Aires. The members of the Chilean commission held a meeting yesterday with Chilean Foreign Minister Hernan Cubillos who explained to Onda Noticiosa the objective of this meeting.

[Begin Cubillos recording] This is another of the series of meetings which we hold to discuss all the issues involved in the negotiations with Argentina. [end recording]

The Chilean commission is made up of Gen Luis Ramirez, Air Force Gen Pablo Saldia, Commander German Yesalaga, advisers Arturo Ayala, Patricio Prieto and Manuel Castaneda, in addition to Foreign Ministry officials German Cassasco and Marcelo Padilla. The commission is headed by Francisco Orrego Vicuna.

Foreign Minister Cubillos insisted that Chile is optimistic about the bilateral negotiations.

[Begin Cubillos recording] We have always discussed specific issues and I believe that the nearer we are to the end of the negotiations the more possibility there is that we will achieve a specific solution. [end recording]

The round of negotiations in Buenos Aires will last until Friday. The deadline for the commission to submit its report to each government is 2 November.

COURT REJECTS U.S. APPEAL FOR PUBLIC EXTRADITION TRIAL

PY050112Y Paris AFP in Spanish 0020 GMT 5 Oct 78 PY

[Text] Santiago, 4 Oct--It was reported here today that the three Chilean military officers whose extradition was requested by the United States will definitely have a secret trial. Gen Manuel Contreras, Col Pedro Espinoza, and Capt Armando Fernandez were indicted by the U.S. courts in the murder of former Chilean Foreign Minister Orlando Letelier in Washington 2 years ago. Israel Borquez, president of the Chilean Supreme Court, began to study the U.S. petition secretly on 20 September, but Alfredo Etcheberry, the U.S. Government's attorney, appealed this decision and asked that public hearings be held so that he can cross-examine witnesses.

The second chamber of the Supreme Court today unanimously turned down Etcheberry's appeal. After Justice Israel Borquez hears the case in the first instance, the other justices will hear it in the second instance. The three military officers have been under arrest here since 2 August, when a U.S. grand jury indicted them for the Letelier murder.

MINISTER DISCUSSES STATE OF NATIONAL ECONOMY

FY0422214Y Santiago Chile Domestic Service in Spanish 1100 GMT 4 Oct 78 FY

[Excerpts] Economy Minister Pablo Baraona participated in an international seminar on free zones in Iquique yesterday. He released a report on the economic policy underway in Chile, its achievements, goals and prospects. The following report came from the capital of the 1st region.

[Begin relay from Iquique] Chile's trade balance is satisfactory this year. We expect to have a [trade balance] deficit of 10 percent, but a surplus in the balance of payments of $700 million, stated Economy Minister Pablo Baraona during his speech at the seminar in the Iquique Free Zone. He stated that there had been exaggerated optimism regarding the meaning of the Iquique Free Zone in terms of the time needed to achieve important goals. He added that while some thought months or a couple of years were enough to establish heavy industry, this cannot be in a country which has poor industrial protection. Although permanent, the impetus provided by a free zone cannot be very large, added Minister Baraona.

He had previously reviewed Chilean economic policy for the delegates, including representatives of American, European, Asian and African countries. He maintained that Chile is optimistic about achieving price stability in a free market, but our country will (?have to) overcome many preconceptions. Reform of foreign trade and the return of firms to private control are being completed, he asserted. Baraona indicated that the overall idea is to put within the private sector any firm which can compete either in the national or international market.

The minister stated that when the military government took power it did not merely have to return the situation to normal. The most important goal was to improve the basis for the country's economic development. Thus, long-term objectives were designed to improve economic policy. After 5 years of government, we can state that no long-term goal was jeopardized by transitory situations, he added.

The minister indicated four points as pillars for economic policy: tax reform, implementation of the free market policy, private enterprise, and a capital market. There was no relation, he asserted, between the opening of foreign trade and the establishment of large enterprises, particularly those requiring large markets like automotive and aeronautical production. Baraona emphasized that fishing, agriculture and mining are priorities and added that industries based on natural resources rather than those engaged in replacing imports will be expanded.

Upon his return from Lima, where he attended the inauguration of the Arlabank, Baraona told the newsmen that the entity granted $15 million in credits to such Chilean (?institutions) as the Production Development Corporation [CORFO] and the Bank of Chile to finance agricultural projects. He added that Arlabank can bring Arab oil capital to Latin America. [end relay]

COSTA RICA

CARAZO RULES OUT FURTHER NICARAGUAN VIOLATIONS

PA041957Y San Jose Radio Reloj in Spanish 1730 GMT 4 Oct 78 PA

[Text] President Rodrigo Carazo Odio has said that there will not be another violation of our territory by Nicaragua. The president made this statement in response to comments made to the news media by Foreign Minister Rafael Angel Calderon to the effect that Costa Rica would break relations with Nicaragua if that country should violate our territory again. President Carazo said clearly that there will not be another violation of our territory by Nicaragua.

INTERIOR MINISTER REPORTS ON BORDER SITUATION

PA042151Y Paris AFP in Spanish 1737 GMT 4 Oct 78 PA

[Text] San Jose, 4 Oct (AFP)--Interior Minister Juan Jose Echeverria said here today that Nicaragua has 1,800 soldiers stationed in the area bordering Costa Rica. Approximately 1,500 of those soldiers are reportedly members of the National Guard battalion commanded by Gen Anastasio Somoza's son, Maj Anastasio Somoza Portocarrero. According to the minister, the rest are members of a commando unit composed of Oambo Indians. Echeverria also announced that Costa Rica will maintain 600 Civil Guards distributed among 8 strategic posts along the 400 km border with Nicaragua.

NATIONAL LIBERATION PARTY DENOUNCES 'FIFTH COLUMN'

PA050334Y San Jose LA NACION in Spanish 2 Oct 78 p 26A PA

[Text] A press communique issued yesterday by the political committee of the National Liberation Party [PLN] states that the group called "Fatherland Action" is considered a "fifth column" within the party.

According to the document, "in the recent election campaign the PLN was the object of constant aggression by those who, calling themselves liberationists, were actually in league with the economic and political groups which are part of the electoral coalition called Unity.

"Their attacks on the government and the party were synchronized with the propaganda of groups which are traditional enemies of our party. They joined efforts with those groups in a desperate attempt to reach power, promote their interests and obtain government protection for their private businesses.

"During World War II the expression 'fifth column' emerged to describe organizations within allied countries that collaborated with the Nazis, against whom the democracies were fighting. In the last election campaign we had such a 'fifth column,' but as election time approached its members revealed themselves and raised the banner of opposition to the PLN.

"In this action they used the name 'Fatherland Action Group.' Liberationists of good faith fell into the trap. They wanted healthy corrections within the government and the party. However, these liberationists are slowly realizing that they are being used by a few persons who seek political recognition from groups connected with the Unity coalition so as to obtain political influence and place their businesses under the privileged protection of an antiliberation government. To those who, having patriotic intentions and being true liberationists could continue to be the victims of the political maneuver of this tiny business group, we issue a cordial appeal to return to the fold of the PLN.

"Payment for this fifth column action was not delayed: Government jobs for relatives and the partners of their businesses, access to the circle of the president's intimates; and good connections with the business groups which financed the aggression campaign against the party.

"Now that they have been paid off, they pretend to continue their fifth column work and deceive the liberationists of good faith. However, it is time to realize that this tiny group hates the PLN because the majority of the liberationists have no confidence in them since they divided the party in 1957 and caused the election defeat of Francisco Orlich. Many of the citizens whom they dragged into that first adventure have since become the staunchest defenders of our flag.

"We recognize that there were mistakes and shortcomings in PLN administrations. An internal debate was opened a long time ago and there has been constructive criticism, apart from antiliberationism, which seeks to divide and destroy our party. Evident desire and capacity have been demonstrated within the party to revise, correct and improve matters, a will and capacity which economic and political groups that are enemies of liberation have never demonstrated.

"We charge that the directors of that fifth column action are committed together with antiliberationist economic and political interests to implementing a so-called party plan and to destroying our party. They have converted the Fatherland Action Group into a Carazo trap. We alert the liberationists to the maneuvers of the directors of that trip."

EL SALVADOR

POLICE DISCOVER KIDNAPED JAPANESE BUSINESSMAN'S BODY

PA042254Y Paris AFP in Spanish 2204 GMT 4 Oct 78 PA

[Excerpts] San Salvador, 4 Oct (AFP)--Salvadoran police have announced that the body of Japanese businessman Fujio Matsumoto, who was kidnaped by terrorists on 17 May, was found today buried on the slope of San Jacinto Hill, 3 km south of San Salvador. The security services announced at noon that they had located Matsumoto's body on San Jacinto Hill. It was dug up, placed in a plastic bag and taken to the judicial center of San Salvador where scientific examinations are being undertaken to determine the body's identification with absolute certainty.

CENTRIST ORGANIZATION FORMED TO END VIOLENCE

PA042324Y Panama City ACAN in Spanish 1804 GMT 4 Oct 78 PA

[Text] San Salvador, 4 Oct (ACAN-EFE)--A so-called "Stable Centrist Republican Movement" [Movimiento Estable Republicano Centrista] was established in San Salvador today. Its purpose is to find a path to national harmony amid the wave of violence which the country is experiencing. Extreme leftist organizations have been causing unrest throughout El Salvador by staging armed actions. Seven persons had been killed and a dozen wounded by the middle of September. The coordinator of the emerging organization is lawyer Juan Ramon Rosales y Rosales, former leader of the "25 January" group, which more than a decade ago gave its support to the ruling National Conciliation Party. He told newsmen that the group under his direction has no political membership because, first and foremost, he does not believe in political parties and that he proposes to mediate between the extreme left and right to obtain national harmony in order to eliminate violence.

GUATEMALA

STREET CLASHES CONTINUING IN GUATEMALA CITY

PA041508Y Panama City ACAN in Spanish 0129 GMT 4 Oct 78 PA

[By Alberto Flores]

[Excerpts] Guatemala City, 3 Oct (ACAN-EFE)--Students, workers and women have been clashing head on with the police in this capital for the past 7 hours. The tragic toll for the day has increased to 7 dead and more than 200 wounded. The number of persons arrested, which is definitely higher, has not been disclosed.

Police officers in civilian clothing and in uniform are shooting at the demonstrators. The authorities said that blank bullets would be used, but the casualties have been caused primarily by firearms.

Apparently, the police, who are extremely nervous today, attacked newsmen at the same time demonstrators did. Under attack from both sides, some newsmen were injured, including this correspondent, and most of the injuries resulted from rocks thrown by the students.

Red Cross and fire department emergency units are having difficulties taking care of the large number of persons wounded, as well as those suffering from the effects of teargas which is spreading throughout the city.

The disturbances late this afternoon and early this evening occurred primarily in the downtown area, even in front of the government palace. The authorities are trying to find a solution to the crisis which continues to worsen.

Government employees throughout the republic today joined the teachers' strike and, tomorrow, state telephone enterprise workers, among others, are expected to join the strike.

The street demonstrators seemed more organized today. They extended their activities to various locations, harassing the police from positions on the rooftops of buildings under construction and from the cardinal's cathedral, with the support of workers and women vendors from the central market. Meanwhile, young students of both sexes and workers armed with rocks and sticks are clashing with police. Women from the lower classes are aiding the demonstrators by giving them a mixture of vinegar, water and bicarbonate to ease the effects of the teargas used by the public forces.

Business has been completely paralyzed as no one dares to open his store in view of the Vandalic acts carried out last night. A medium-intensity bomb exploded in the Finance Ministry building, causing damages estimated at 10,000 quetzeles (the quetzal has the same value as the U.S. dollar) when the two basements in the building were flooded as water pipes broke. There were no casualties.

Government Claims Overthrow Plot

PA041509Y Paris AFP in Spanish 0240 GMT 4 Oct 78 PA

[Text] Guatemala City, 3 Oct (AFP)--The authorities today reported that well-organized agitators have taken advantage of disorders in this capital in an attempt to overthrow the government. Carlos Toledo Vielman, information secretary of the presidency, said that "street disorders are no longer just that.

"They have become part of a plot to weaken the government until it is overthrown." He added that the agitators are following instructions from political groups identified with the extreme left.

The disorders began with a protest against the increase in bus fares. Bus services in this capital have been paralyzed since the demonstrators burned 50 buses yesterday. The same source said that both labor and student leaders have lost control of the movement, which has turned into a political plot openly provoking the government.

Nine Reported Dead

PA050311Y Paris AFP in Spanish 2329 GMT 4 Oct 78 PA

[Text] Guatemala City, 4 Oct (AFP)--Unofficial reports published today indicate that as a result of 2 days of disturbances in Guatemala, 9 persons were killed. More than 250 persons were wounded, affected by tear gas or arrested, and property damage amounted to 1 million quetzales (dollars).

Police acknowledged the deaths of only four persons, but press inquiries at hospitals indicate that nine demonstrators were killed in various clashes with police.

The disturbances began on Monday morning after an increase in the urban transport fares was authorized. This morning several youths clashed with police in Guatemala City while in the interior of the country there were reports of similar confrontations. The number of casualties is unknown. According to press reports, those arrested in the capital include Oliverio Castaneda de Leon, leader of the association of university students, and Antonio Blanco, leader of the council of entities of public workers.

So far, only 40 percent of office workers have joined the partial strike in various government entities. Nevertheless, the council is threatening to stage a nationwide general strike.

Further Details

PA050312Y Panama City ACAN in Spanish 0200 GMT 5 Oct 78 PA

[Text] Guatemala City, 4 Oct (ACAN-EFE)--At least 5 people were reported dead tonight in violent disturbances which have taken place in this capital for 3 consecutive days. Workers and students have been demonstrating here since Monday against the fare hike decreed for urban buses. Until this morning, casualties included 8 dead and 275 injured, so that the people who died tonight raise the sad total to 13 violent deaths.

Disturbances also took place tonight in other places close to the capital, such as Amatitlan, 22 km from here, and in other departments, particularly in the western part of the country, where the inhabitants have joined capital city protesters.

It has been determined that unmarked police cars have shot at people waiting for transportation to return home from work. This afternoon, during the burial of a trade union leader attended by students and workers, police hurled teargas bombs. Today police used gas grenade launchers [lanzagases] for the first time against anybody who was in their way.

The situation in the Guatemalan capital and other cities tonight is practically a battle scene. The indiscriminate attacks on citizens have made peaceloving men respond to police attacks. The number of injured in the capital alone is estimated at 75.

In the meantime, radio stations have revealed that they are receiving threats from transportation businessmen who feel that they are misrepresenting the incidents and also from leftwing guerrillas who feel that their coverage is insufficient. They also report having been pressured by the government to provide fewer details on the incidents.

REPRESENTATIVE AT UN REFUTES CUBAN CHARGES ON BELIZE

PA042141Y Guatemala City DIARIO DE CENTRO AMERICA in Spanish 28 Sep p 4 PA

[Text] The Foreign Ministry has reported that Eduardo Castillo Arriola, Guatemala's permanent representative to the United Nations, yesterday rejected the reference that the Cuban foreign minister had made before the General Assembly regarding Guatemala and the Belize issue. The text of the Guatemalan representative's speech follows:

Mr President: On stating that his country supports the definitive ending of colonialism, the Cuban foreign minister referred in a totally mistaken manner to the case of Belize, which forces me, on behalf of the historic truth, to reply to these groundless references.

Since it signed the San Francisco charter which created the United Nations, Guatemala has struggled consistently to end colonialism, understanding that this includes any open or hidden demonstration of a nation's intention to exercise control and dominance over another, whatever the ideological justification that is used for such conduct.

The case of Belize is a clear-cut situation in which Guatemala is seeking and fighting to recover part its territory occupied by a foreign power. All states have the full right to recover their own territory, whatever the circumstances which gave rise to the occupation.

As for the Cuban foreign minister's grotesque charge that the governmentin my country is proimperialist, it is no more than coarse calumny disguised as an ideological position by which they Messianically seek to dominate the entire free world. This is imperialism of the most stupid and boorish type.

The Guatemalan Government is a product of free elections held periodically with the participation of political entities which, pursuant to the provisions of the constitution of the republic, reflect the entire political spectrum. The present Guatemalan Government is based on the popular will as expressed by a broad coalition of political groups united in defense of liberty and the rights of man, which today are more than ever threatened by personalistic totalitarianism which, in the name of an obsolete historical materialism, seeks to destroy man's liberties.

I leave for last the most absurd of the charges made in the speech to which I have been referring. To say in this forum, where truth and seriousness should prevail, that the Guatemalan government is supported by transitional enterprises is to give one's speech the characteristic of risible trivia. Guatemala is content with the support of its own people and of the free world. As for the transnational enterprises, the new pet phrase of that ideology to which I referred formerly, my country's legislation--which above all protects national interests--is too clear, as are the positions which Guatemala has adopted with regard to the reorganization of such enterprises, to permit the assertion that there are relations between any economic class and the Government of the Republic of Guatemala.

HONDURAS

MARXIST-LENINIST PARTY ANALYZES POLITICAL SITUATION

PA042249Y San Pedro Sula EL TIEMPO in Spanish 26 Sep p 9 PA

[Paid advertisement by Marxist-Leninist Communist Party of Honduras dated 19 Sep: "The Coup and the Military Regime's Path"]

[Text] The coup staged on 7 August, by which Gen Juan Alberto Melgar Castro was ousted from his post as chief of state, marked a new stage for the military regime. This stage is characterized by the regime's tendency to identify with the oligarchic sector represented by the National Party of Honduras [PNH] and the subsequent blocking of a democratic electoral process. It is a new step in the military regime's shift to the right. It increases the danger that the country's institutions may become fascist and that repression may be unleashed against the popular movement and lays the groundwork for a policy that is more in accordance with the interests of the oligarchy and U.S. monopolies.

The purpose of the coup was not to prevent Melgar Castro's constitutionalization and guarantee free elections, as certain Rodista elements [followers of Liberal Party of Honduras leader Modesto Rodas Alvarado, head and general coordinator of the Rodista Liberal Movement] within liberalism have affirmed. Neither did the coup seek to strike at high-ranking officers implicated in drug trafficking, as has been suggested by the leaders of the so-called Communist Party of Honduras. Those "explanations" have been circulated by the coup leaders themselves and their agents. They have been repeated by representatives of forces who, like the opportunistic rightwing, played into the hands of the coupists and their diversionary and provocative policy and who also identified Melgar Castro's government with fascism and were unable to determine who the main enemy really was.

The immediate purpose of the coup was to conceal the drug trafficking, the crimes connected with it and the participation of a number of high-ranking officials in those activities. But its causes lie with the regime's own conduct, the splintering of the reformist policy characterized by concessions to the extreme right, which deprived it of its social base, and with confrontations among various groups of officials. In the end, these confrontations reflect the struggle between two ruling class factions: the expansionist [desarrollista] bourgeoisie and the traditional oligarchy. With the coup, the oligarchic faction has temporarily become dominant to the detriment of the power positions held by the expansionist bourgeoisie, even though the latter maintains certain positions as a result of pressure exerted by international organizations.

The coup did not bear a conservative seal but, in any event, expressed a tendency toward an alliance between the government's furthest right sector and the PNH. This is shown by the composition of the cabinet, the militancy of its principal advisers, the integration of judicial power, the changes carried out in the political governorships and municipalities, and by the PNH's support for the decisions made by the Superior Council of the Armed Forces.

The composition of the military junta constitutes an attempt to overcome, even if only temporarily, the internal contradictions taking place within the armed forces, particularly those that have occurred in recent months, during the struggle for power between the Superior Council of the Armed Forces and state leadership. But it also expressed the new government's weakness, because the faction led by General Paz Garcia does not yet have total hegemony within the military. Even the members of the triumvirate represent positions that are not completely identical, so that it can be foreseen that new contradictions will develop within the armed forces and even within the military junta.

There is an increasing feeling of discontent among the various armed forces chiefs of staff and intermediate officers, who observe how the higher echelons, hungry for power and wealth, can attack and consolidate their positions while ignoring the hierarchy, seniority and military rank.

This circumstance, along with Carter's Latin American policy, explains the absence of repression and the fact that in its proclamation--which has Melgar Castro's nonexistent resignation as its starting point--the military junta promises to respect international treaties and human rights, to continue development projects and negotiations aimed at resolving the Honduran-Salvadoran conflict, and to guarantee an electoral solution endorsed by the U.S. Embassy as a point of convergence of the various ruling class factions that exist within the current Honduran political process.

Nonetheless, the military junta's specific steps are undoubtedly aimed at preparing a reactionary electoral solution in collusion with conservatism. This electoral solution would seek to maintain the army as the real and determining power in the Honduran state's internal and external politics and to guarantee the basic interests of the oligarchy and U.S. imperialism.

The Marxist-Leninist Communist Party of Honduras feels that at the present international juncture--particularly the one currently prevailing in the Central American Isthmus--imperialism, which at first opposed the coup through the set of dissuasive warnings released by the embassy, finally chose to direct the coupist action of the most conservative sectors within the armed forces in order to avoid a greater worsening of the Central American crisis, which at present has its nerve centers in Nicaragua and El Salvador. In order to impose its solution to the regional crisis expressing itself in a particularly explosive way in Nicaragua, the United States needs a stronger government in Honduras than that of Melgar Castro, who had already lost the support of the Superior Council of the Armed Forces. For exactly the same reason, however, it does not want a government of force that is totally identified with Somoza and willing to imitate his repression and systematic robbery here in Honduras

The military men who follow a repressive tendency are the ones currently holding power in our country. If they have been unable to unleash repression since the coup it is because they need to consolidate themselves, both internally and within the complex international context that, in the case of the Central American isthmus, is marked by an intensification of the people's revolutionary struggles for their liberation. Since 7 August, however, repression has become a latent threat to the popular sectors, who must remain alert and vigilant in the face of a situation that is not yet completely clear but which, without a doubt, is geared toward a more marked move toward the right and a denial of all popular conquests and rights.

In the present situation the Marxist-Leninist Communist Party of Honduras believes it necessary to develop to the utmost the policy of unity of the entire democratic movement in order to isolate ultraright sectors inside and outside the armed forces, to undertake and strengthen the masses' struggle for their most important demands, to organize and coordinate their forces mainly through a mass national front which will be one of their most powerful tools to defend their conquests, to obtain the changes that the nation needs to overcome underdevelopment and dependence, and to eliminate its characteristic social injustices.

The minimum program which should serve as a basis for the policy of the single front must include as its most important points the defense of democratic freedoms and the people's rights; the struggle for those measures, such as agrarian reform, wage increases for workers and a freeze on prices of staple products, which will alleviate the economic crisis and improve the masses living and working conditions; and the struggle for a democratic electoral process that will end the electoral monopoly of the traditional oligarchic groups, permit the free interplay of newly emerging political forces, and defeat the fraudulent plans that the rightist sector of the armed forces and the National Party are trying to impose.

For the defeat of imperialism, reaction and contemporary revisionism.

[Signed] Politburo of the Central Committee of the Marxist-Leninist Communist Party of Honduras, Honduras, 19 September 1978

NICARAGUA

SPECIAL HUMAN RIGHTS COMMISSION BEGINS INVESTIGATION

PA041719Y Managua Domestic Service in Spanish 1518 GMT 4 Oct 78 PA

[Text] The special commission appointed by the Inter-American Human Rights Commission will begin its activities today. At the invitation of the Nicaraguan Government, the special commission will examine the human rights situation in Nicaragua. The special commission is composed of: Andres Aguilar, president of the Inter-American Human Rights Commission; Carlos A. (Dorchi Diabranche), vice president of the commission; and commission members Tom (Parer), Perando (Goleon), Carlos Garcia Bauer and Marco Monroy (Caura). Edmundo Vargas Calveno, executive secretary of the Inter-American Human Rights Commission, will act as secretary of the special commission which will be assisted by professional and administrative personnel of the secretariat.

The purpose of the visit is to study and investigate the present situation concerning human rights in Nicaragua and to prepare a report on the government's compliance with these rights. During their visit to Nicaragua, the members of the special commission will meet with the authorities as well as with representatives of political, religious, professional, managerial, labor, student and communications media groups. The Nicaraguan Government fully guarantees that the commission will be given free and unrestricted access to all places in the territory of the republic and that it will be allowed to visit all jails and meet with all persons and organizations it considers necessary, including persons who are not presently residing in Nicaragua. These persons will be allowed to enter the country. The persons and organizations desiring to contact the commission will be free to do so without fear of reprisals.

Commission Welcomed by Somoza

PA042124Y Managua Domestic Service in Spanish 1800 GMT 4 Oct 78 PA

[Speech by President Gen Anastasio Somoza Debayle during ceremony held in conference room of Press and Information Secretariat of Presidency to welcome members of Inter-American Human Rights Commission--live]

[Excerpts] In the name of both the Nicaraguan people and on my own behalf as constitutional president of Nicaragua, I am pleased to greet you, honorable members of the Inter-American Human Rights Commission with the warmest and most cordial welcome.

Despite the crisis experienced in recent days during an attempt to overthrow the constitutional government of the republic by means of violence and terrorism, by means of communist attacks carried out against military and police headquarters and against defenseless cities by means of bloodshed, pillage and looting, fire, spectacular kidnaping and deplorable damage to and destruction of private property, my government, responsible for this process and for public peace and progress, has continued to act in accordance with the appropriate and humanitarian precepts indicated by the Christian spirit, resorting to means which, under such circumstances, are dictated by laws established to protect the threatened national sovereignty and the lives and patrimony of all Nicaraguans.

I believe that your presence in Nicaragua reflects our government's faith in human rights. Your presence will bring peace not only to government officials but also to those who oppose us. We have wanted you to visit this fatherland. Today I want you to meet our highest-ranking authorities, both the civilians in the government and the military, so that you know that in Nicaragua, from the president down to the lowest official, all are at your disposal in order for you to make your task one which makes the inter-American system greater, a task that will serve all of us Americans, rather than pose as a means of intervention by other nations.

It is for this reason that I feel proud that, after so much recent violence in Nicaragua, I can tell you with my head held high: Welcome, gentlemen. Thank you very much.

SOMOZA: SIZE OF NATIONAL GUARD TO BE DOUBLED

PA050226Y Managua Domestic Service in Spanish 2355 GMT 4 Oct 78 PA

[News conference held by President Gen Anastasio Somoza at military club in Managua on 4 Oct--recorded]

[Excerpts] [Question in English] Mr President, could you give us an idea of what you would be willing to discuss with the opposition when these talks get underway--electoral reforms, early elections, perhaps your departure, whatever? What would you be willing to discuss?

[Answer in English and Spanish] As I have said before, I will discuss anything that they want to discuss within the points of reference of the constitution and the laws of Nicaragua. [applause]

[Question in English] Yesterday in a published report you said that you would not rule out the possibility of opposition members being included in your cabinet in a coalition government. Would you care to clarify that and perhaps set some kind of timetable for when that might happen?

[Answer in English] Maybe I am too frank and frankness sometimes makes people believe that I am weak. I am too honest. We were discussing the possibility of what kind of compromise could be reached, and the man said, "Would you be willing to give them cabinet posts?" And I said: "Yes, as a compromise." But I am not saying I am going to do it yet.

[Question] Mr President, talking about the National Guard, the Miami HERALD reported today that you had stated that you will double its number to 15,000. What can you tell us about this?

[Answer] It is true. We have found that because of a lack of personnel we have not provided adequate protection for many urban and rural centers. We had lived in a peaceful country, but subversion has entered and now we need to increase the number of police to some 10,000 to 12,000 men as well as perhaps some 3,000 men who would be devoted solely to military affairs.

There is not a country in South America that does not spend more than Nicaragua on its internal-external and tactical security. At the most, we spent 10 percent of our national budget on urban, rural and traffic police, army, air force, coast guard and customs service. There is not a country in Latin America which spends less than 20 percent, with the possible exception of Costa Rica. The rest of the countries spend more than 20 percent, and some even 60 percent of their national budget.

That was one of our sources of pride which we cannot enjoy now because of the international subversion sponsored by Venzeula, Panama and Costa Rica.

These are things that hurt when we see the sacrifices that the people have to make. Our people have progressed so much because we used very limited funds in governing the civilian population. Now we are going to spend more. But you should attribute that development to those gentlemen that have promoted subversion in this country. The wealthy should be ready to pay the additional costs because they, too, have promoted it. I am not going to make the people pay for guarding the wealthy and countries which want to meddle in Nicaragua. [sentence as heard]

[Question] The military budget will increase to 20 percent of the national budget?

[Answer] Yes sir. We are going to become strong so that anyone who wants to enter Nicaragua will find it very hard to do so and will not pick a fight with us. My U.S. teachers taught me that the best defense is a strong defense, one that would cost the enemy very dearly to come into one's house.

[Question] What is your opinion of statements by Broad Opposition Front [FAO] leaders indicating that the essential point of their demands is your resignation, your withdrawal from the government?

[Answer] I believe that the gentlemen leaders of the FAO are failing because the tonic that they had, the 9 September rebellion, has lost its effect. Even before that, they had asked for my resignation and I had told them no. I think they are suffering from illusions. With much respect, I ask them to see reality, because it would be another reality if I was not here speaking and they were in the government. This has not occurred. So let them stop the foolishness. I want to say this: It is here in Nicaragua that the problems of Nicaraguans will be solved; it will not be done anywhere else. Thank you, gentlemen. Good afternoon.

SOMOZA GRANTS INTERVIEW TO COSTA RICAN RADIO

PA042008Y San Jose Radio Monumental in Spanish 1227 GMT 4 Oct 78 PA

[Correspondent Eduardo Enrique Leiva interview with President Gen Anastasi Somoza on 3 Oct, place not given--recorded]

[Excerpts] [Question] Do you think that the Broad Opposition Front [FAO] is weak because it has accepted negotiations without your resignation, as they had previously demanded?

[Answer] No, I think that they are beginning to learn because if a person is (?trying to reach) a goal and adopts an inflexilbe attitude, he is just playing into the hands of his adversaries.

[Question] President Somoza, could acceptance of the mediation efforts of the United States, the Dominican Republic and Guatemala be interpreted as weakness on your part or could it be said that the rebellion weakened you politically?

[Answer] On the contrary. If I had asked for mediation it would have been a sign of weakness on my part. Mediation was offered by the United States unilaterally before the question reached the OAS [words indistinct] we accepted. But this should not be misinterpreted because we are trying to solve this problem peacefully.

[Question] Does this mediation mean that you will resign from power despite your repeated assertions that you will not leave until your constitutional term expires?

[Answer] Look, first, this is not mediation. It is the friendly cooperation of states.

Second, in talks with the opposition they can ask for the heavens and the moon. They can ask me to leave tomorrow, the day after tomorrow. They can ask never to see me again in Nicaragua. But whatever they request and whatever they obtain will have to be in keeping with the laws of the republic.

[Question] Former Costa Rican President Jose Figueres said that you are drunk with power. Do you think so, General Somoza?

[Answer] Well, actually Don Pepe is getting on in age. He does not realize that if I am here it is because I was elected, and I am fulfilling the mandate of the constitution. He can say that I am drunk with power, but the fact is that I am abiding by the constitution.

[Question] Figueres also said that you were born to power and, consequently, are unable to see yourself without it. Are you so attached to power, General?

[Answer] Well, I will tell you no. Figueres is mistaken. I was not born into power. When we were children, my father struggled for power. And in that struggle we were educated to be disciplined, loyal men who have to answer to our fellow party members.

[Question] Your country's [alternate] ambassador to the United Nations, Enrique Paguagua, presented his resignation and denounced a series of irregularities. Has his resignation and the desertion of National Guard members meant a break in the unity of your regime, general?

[Answer] No, because the alternate ambassador, the one who resigned, is a Conservative, an opponent of ours, who holds his post by virtue of a constitutional provision. So Paguagua's resignation is not unusual, since he opposes my regime.

[Question] What about desertions from the National Guard?

[Answer] There have been very few because, during all this subversion, there were only two officers who deserted and a few soldiers.

[Question] President Somoza, I presume you heard the speech given by President Rodrigo Carazo last night over a radio and television network in Central America. What do you have to say about his speech?

[Answer] I heard it and was pleased that we broadcast it here in Nicaragua in answer to some Costa Rican criticism that we would not permit President Carazo's speech to be heard in Nicaraguan homes. His speech was that of a Central American who is interested in peace and [words indistinct]. That is the way I have regarded it and with that spirit will work [words indistinct].

[Question] The national radio, which is controlled by the government, insists that the time has come to recover the territory of Guanacaste. It also mentions an alleged pact between the Sandinist National Liberation Front and the Costa Rican Government for the distribution of Nicaraguan territory. Why is the government involved in this kind of campaign?

[Answer] I have no knowledge that government sources said that, or have taken up that campaign. I think that has been (?confused) with the freedom of expression which exists in Nicaragua for newscasts.

[Question] Mr President, but the information received here in Costa Rica is that there is strict censorship of the press and that newsmen are on strike. How is this compatible with what you are saying?

[Answer] Very simple. Everything regarding subversion is censored, but there is no censorship over news freely given by gentlemen.

[Question] Are you not afraid of the serious charges voiced against you such as genocide, indiscriminate bombing of civilians, destruction of the Nicaraguan family?

[Answer] I am not afraid because my conscience is clear. I have been acting in accordance with the laws issued by the people and the people are inspired by the love of God.

[Question] And if God should call you to give an accounting, what would you say?

[Answer] That I did my duty.

[Question] Do you see your country's Catholic Church as one of your main enemies?

[Answer] Absolutely not.

[Question] Do you respect the church?

[Answer] Always.

[Question] General Somoza, to conclude, do you have something else to say to the Costa Rican people?

[Answer] Yes. I understand that some politicians want to force the Costa Rican people to go against the Somozas in Nicaragua, but (?tell) the Costa Rican people that we have nothing against them.

[Question] General Somoza, once your constitutional term is over, if fortune--if I may say so--permits you to reach 1981, would the Somozas withdraw from power, or would they continue to exercise power in Nicaragua?

[Answer] In the type of government we have here in Nicaragua everyone who has influence will have the same influence. [as heard] My adversaries would like us and our followers to disappear from the map. That is impossible. If those in other countries were not able to do so in the past, then it cannot be done. We must coexist, one with the other in Nicaragua, whether we like it or not.

NATIONAL GUARDSMEN VIEW GUANACASTE AS TRUE BORDER

PA041552Y San Jose Radio Reloj in Spanish 1200 GMT 4 Oct 78 PA

[Text] The Nicaraguan National Guard is convinced that the present border between Costa Rica and Nicaragua is not the true border. Nicaraguan National Guardsmen told reporters that no less than 300 National Guardsmen were killed in the Penas Blancas clash. When the guardsmen were asked if they maintained strick security at the border, one of them said: This is not the border. The border is in Guanacaste, the land you stole from us. Although the situation is normal, the National Guard is maintaining strict security there.

FOREIGN MINISTER MALMIERCA, CYPRIOT PRESIDENT MEET AT UN

FL041020Y Havana Domestic Service in Spanish 1000 GMT 4 Oct 78 FL

[Text] Cypriot President Spiros Kiprianou has met with Cuban Foreign Minister Isidoro Malmierca at UN headquarters in New York. The Cypriot chief of state conveyed to the Cuban foreign minister his warmest greetings to Councils of State and Ministers President Fidel Castro and to the Cuban Government and people. Kiprianou also expressed gratitude for the solidarity which Cuba has always offered to the just cause of the Cypriot people and expressed the wish to personally meet Commander in Chief Fidel Castro.

Malmierca Departs for Home

FL042318Y Havana Domestic Service in Spanish 2300 GMT 4 Oct 78 FL

[Text] Cuban Foreign Minister Isidoro Malmierca today departed for Cuba after concluding his activities at the third session of the UN General Assembly. Prior to his departure the Cuban foreign minister was received by UN Secretary General Kurt Waldheim. During the talks Malmierca invited the secretary general to attend the sixth conference of chiefs of state or government of nonalined countries, which will be held in Cuba in September of next year. The two sides also examined matters of common interest. Waldheim sent personal greetings to Fidel Castro, president of the Cuban Council of State and Council of Ministers. As reported earlier, the Cuban foreign minister arrived in New York on 23 September, heading the Cuban delegation to the UN General Assembly, where he made a speech on 25 September to express our country's views on the principal matters of international interest.

RODRIGUEZ LLOMPART MEETS WITH JAPANESE MINISTERS

FL041811Y Havana Domestic Service in Spanish 1732 GMT 4 Oct 78 FL

[Text] Hector Rodriguez Llompart, minister-president of the Cuban State Committee for Economic Cooperation, today met in Tokyo with the Japanese ministers of foreign affairs, agriculture and finance. The third Japanese and Cuban economic conference has been meeting in Tokyo since Monday. The committees on international trade, finance and technical cooperation are studying current Cuban-Japanese trade.

Rodriguez Llompart has met today on different occasions with Japanese ministers Sunao Sonoda, Ichiro Nakagawa and Tatsuo Murayama, with whom he held cordial meetings discussing topics relating to bilateral relations between Cuba and Japan. Both parties expressed satisfaction with the levels of development reached in economic relations between the two countries and stressed the need to continue this effort.

YARA 110 TRAINING ACTIVITY BEGINS IN ARMED FORCES

FL041131Y Havana Domestic Service in Spanish 1045 GMT 4 Oct 78 FL

[Text] Yara 110, one of the principal activities planned for the current operational, combat and political training year, has begun in the Revolutionary Armed Forces [FAR]. The activity is aimed as a tribute to the 20th anniversary of the triumph of the revolution and the 110th anniversary of the start of our people's armed struggle for independence.

The participating active and reserve commanders, officers, sergeants and soldiers have pledged themselves to obtain results in this activity in keeping with such significant anniversaries. Political organizations and agencies of the PCC and Union of Young Communists [UJC] have made serious efforts in the units to support commands in the organization of a preparation for this activity, which is part of the troops' training process.

In this regard, Lt Col Enrique Batlle Callejas, chief of staff of FAR rear services, delivered a message: [begin recording] Comrade officers, sergeants, soldiers and reservists. One of the principal activities of the FAR rear guard has begun for the present training year--Yara 110. To obtain successful results it is necessary that our commanders, officers, sergeants, soldiers and reservists use all their physical, moral and intellectual strength. Yara 110 is taking place at a time when all our people and their Revolutionary Armed Forces are preparing to commemorate the 20th anniversary of the triumph of the revolution and this increases the responsibility of all of us to make it a worthy tribute to such a significant anniversary. Yara 110 should constitute a commitment of honor from FAR to our working people, who with their daily effort and sacrifice are building socialism in our fatherland and are doubling their efforts to fulfill the agreements and resolutions of the first party congress.

We are totally convinced that at this 110th anniversary of the start of the struggle for our independence, our commanders, officers, sergeants and reservists and political organizations of the PCC and UJC will spare no efforts to insure that the results of Yara 110 are another demonstration of the qualitative preparedness achieved by our combatants and of the increased mobilization and combat preparedness of our units. [end recording]

CASA DE LAS AMERICAS DIRECTOR MEETS WITH REGIS DEBRAY

FL041900Y Havana Domestic Service in Spanish 1806 GMT 4 Oct 78 FL

[Text] Haydee Santamaria, director of Casa de las Americas and member of the PCC Central Committee and Council of State, has received French writer Regis Debay, who is visiting our country. The meeting took place in the Casa de las Americas main offices in Havana amid an atmosphere of cordiality and friendship.

DELEGATION LEAVES FOR PEACE CONFERENCE IN POLAND

FL041850Y Havana Domestic Service in Spanish 1806 GMT 4 Oct 78 FL

[Text] A Cuban delegation headed by Francisco Pividal has departed for Breslau, Poland, to attend the Intellectuals' Conference for Peace, which will be held on the occasion of the 30th anniversary of the organization. The delegation, representing the Movement for the Peace and Sovereignty of the Peoples, is also composed of Onelio Jorge Cardoso, Manuel Gadich and Manuel Torrales.

BRIEFS

UNEAC OFFICIAL'S TOUR--Joaquin Santana, member of the publishing directorate of the Union of Writers and Artists of Cuba, UNEAC, today concluded a 3-week visit to the Soviet Union. The poet and writer met with the principal Soviet publishers in fulfillment of a program of exchange of experiences between UNEAC and the USSR Union of Writers. Santana left for Budapest, Hungary, at the invitation of the Hungarian Writers Union. [Havana Domestic Service in Spanish 2208 GMT 30 Sep 78 FL]

JAMAICA

MANLEY ARRIVES IN GUINEA CONTINUING AFRICA TOUR

FL041328Y Havana Domestic Service in Spanish 1317 GMT 4 Oct 78 FL

[Text] Jamaican Prime Minister Michael Manley has arrived in the Democratic Republic of Guinea at the head of a Jamaican delegation for an official working visit and was received by Ahmed Sekou Toure, president of that African nation.

Nigeria Communique

For a Lagos radio report on a communique issued on 4 October following the visit to Nigeria by the prime minister of Jamaica, Mr Michael Manley, see the West Africa section of the 5 October Sub-Saharan Africa DAILY REPORT.

COLOMBIA

DEFENSE MINISTRY DENIES PURCHASE OF GERMAN SUBS

PA050409Y Madrid EFE in Spanish 0208 GMT 5 Oct 78 PA

[Text] Bogota, 4 Oct (EFE)--The Colombian Government denied today that it is planning to purchase two submarines in Germany, as reported in Bogota papers several days ago. National Defense Minister Gen Luis Carlos Camacho Leyva described as "false" reports published in Bogota that Colombia would purchase two submarines from Germany to reinforce defense of national sovereignty in the Pacific and the Caribbean. The reports published in the Colombian papers cited official sources on the purchase of the submarines, adding that they would be delivered before the end of the year.

DOMINICAN REPUBLIC

OFFICIAL CALLS DISARMAMENT CAMPAIGN 'SUCCESSFUL'

FL031150Y Santo Domingo Domestic Service in Spanish 1000 GMT 3 Oct 78 FL

[Excerpt] The secretary of state for interior and police has declared that the campaign initiated by his secretariat to disarm the civilian population has been successful. Lic Vicente Sanchez Baret announced that he will authorize another 15-day extension so that persons who have been unable to get gun permits can do so. He added that the disarmament campaign has not ended because some citizens have not had time to get permits.

ARMY CHIEF PROMISES TO GUARANTEE STABILITY

FL031112Y Santo Domingo Domestic Service in Spanish 1000 GMT 3 Oct 78 FL

[Text] The new army chief of staff has promised that in his position he will guarantee the country's sovereignty and the stability of the government headed by President Guzman Fernandez. Maj Gen Ramiro Matos Gonzalez, interviewed briefly at the conclusion of yesterday's ceremony in which the chief of state promoted 889 members of the armed forces, said: This has been my duty since the president was inaugurated and named me to the 1st Brigade, and I will continue this policy.

General Matos Gonzalez added that he was pleased with his appointment as army chief of staff, where he replaced Maj Gen Enrique Perez y Perez. He asserted that he will continue to work as he always has.

MEXICO

'INTERNATIONAL COURT' TO 'TRY' SOMOZA GOVERNMENT

PA050401Y Madrid EFE in Spanish 2357 GMT 4 Oct 78 PA

[Text] Mexico City, 4 Oct (EFE)--An "international tribunal" which will try President Anastasio Somoza's Nicaraguan regime will begin operating within the next few days, it was announced here today. During a news conference, Mexican Peace Committee Chairman Natalio Vazquez also announced a "week of solidarity with the Nicaraguan people" to be held worldwide 22-29 October. Vazquez Pallares said the tribunal will present testimony to prove "the crimes of the Somozist government against the Nicaraguan people."

Documents, recordings and statements by eyewitnesses and victims of the incidents in Nicaragua will be disclosed during the tribunal hearings to "prove genocide and human rights violations" in that country. The tribunal decided to present proof rather than actually trying Somoza, since "he has been adequately tried by the people of his country," Vazquez Pallares said.

The anti-Somoza tribunal was created during the "hemispheric conference of solidarity with the Nicaraguan people" held in Panama 29 September-1 October.

The solidarity week will be promoted by several organizations, including 160 "national peace committees" throughout the world, and will include rallies, demonstrations, festivals and lectures. The Mexican Peace Committee will collect medicine, blood plasma and food to send to Nicaragua via Costa Rica.

URUGUAY

TRADE, ECONOMIC RELATIONS WITH HUNGARY TO EXPAND

PY041750Y Montevideo Cadena de Oro del Interior in Spanish 1600 GMT 4 Oct 78 PY

[Excerpt] The Foreign Ministry has just released a communique outlining the steps taken in Montevideo by the Hungarian deputy foreign trade minister, who is leaving Uruguay for Buenos Aires this afternoon.

The communique stated that the Hungarian offer to increase the amount of the credit agreement between the two countries by $10 million is being considered and that the other provisions of the agreement will remain unchanged.

In order to increase trade, the basis for a new trade agreement, which will include the participation of the private sector and which will expand the number and value of Uruguayan products for export, was also studied. It was agreed to continue negotiations in this regard and to sign an agreement as soon as possible.

The Hungarian official, Sandor Uvardi, met with the acting foreign minister, the transportation, public works, education, economy and finance, and public health ministers.

BRIEFS

AMBASSADORS APPOINTED--(Mateo Michael Cureo) has been appointed ambassador to Italy and concurrent permanent representative to the Food and Agriculture Organization. Francisco Bustillo del Campo has been appointed representative to the Organization of American States. The Council of State has also approved the nomination of (Juan Anca Borda Garay) as new ambassador to Romania. [Montevideo Radio Carve Network in Spanish 0000 GMT 4 Oct 78 PY]